

REGIONAL PARKS FOUNDATION

FINANCIAL STATEMENTS

December 31, 2024

(with summarized comparative information for December 31, 2023)



REGIONAL PARKS FOUNDATION

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To the Board of Directors of the
Regional Parks Foundation
Pleasanton, California

Opinion

We have audited the financial statements of the Regional Parks Foundation (the "Foundation"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Restatement

As discussed in Note 10 to the financial statements, the 2023 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance U.S. GAAP and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

Another audit firm had previously audited the Foundation's December 31, 2023 financial statements, and expressed an unmodified audit opinion on those audited financial statements in the report dated May 2, 2024. In their opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

BPM LLP

San Jose, California
October 23, 2025

REGIONAL PARKS FOUNDATION

STATEMENTS OF FINANCIAL POSITION

As of December 31, 2024

(with summarized comparative information for December 31, 2023)

	2024	2023 (Restated)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 548,292	\$ 3,250,014
Investments	13,364,541	10,335,850
Contributions receivable, net	25,000	-
Total current assets	13,937,833	13,585,864
 ECCCHC/NCCP Endowment	9,746,434	8,250,827
Total assets	<u>\$ 23,684,267</u>	<u>\$ 21,836,691</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 449,104	\$ 344,694
Total liabilities	449,104	344,694
 Net assets:		
Without donor restrictions	5,774,192	5,251,561
With donor restrictions	17,460,971	16,240,436
Total net assets	23,235,163	21,491,997
 Total liabilities and net assets	<u>\$ 23,684,267</u>	<u>\$ 21,836,691</u>

REGIONAL PARKS FOUNDATION

STATEMENT OF ACTIVITIES

For the year ended December 31, 2024

(with summarized comparative information for December 31, 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	(Restated) Total
Support, revenue, and gains:				
Private gifts, grants and benefits	\$ 345,902	\$ 1,805,592	\$ 2,151,494	\$ 1,536,693
Contributed services and supplies	1,452,325	-	1,452,325	1,218,374
Membership fees	1,123,240	-	1,123,240	1,061,245
Net investment return	946,120	912,772	1,858,892	2,754,580
Total support, revenue, and gains	3,867,587	2,718,364	6,585,951	6,570,892
Net assets released from restrictions	1,497,829	(1,497,829)	-	-
Total support, revenue and gains, and net assets released from restrictions	5,365,416	1,220,535	6,585,951	6,570,892
Expenses:				
Program services	4,088,452	-	4,088,452	2,459,585
Support services:				
General and administrative	360,056	-	360,056	253,768
Fundraising and development	394,277	-	394,277	224,356
Total expenses	4,842,785	-	4,842,785	2,937,709
Change in net assets	522,631	1,220,535	1,743,166	3,633,183
Net assets, beginning of year	6,175,760	15,316,237	21,491,997	17,858,814
Restatement (Note 10)	(924,199)	924,199	-	-
Net assets, beginning of year, as restated	5,251,561	16,240,436	21,491,997	17,858,814
Net assets, end of year	\$ 5,774,192	\$ 17,460,971	\$ 23,235,163	\$ 21,491,997

REGIONAL PARKS FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2024

(with summarized comparative information for December 31, 2023)

	2024				2023
	Program Services	General and Administrative	Fundraising and Development	Total Expenses	(Restated) Total Expenses
Support for EBRPD	\$ 2,091,976	\$ -	\$ -	\$ 2,091,976	\$ 768,875
Scholarships and program support	544,151	-	-	544,151	472,336
In-kind administrative distributions	1,452,325	-	-	1,452,325	1,218,374
Membership program	-	-	193,255	193,255	131,207
Marketing and graphic design	-	35,047	-	35,047	30,515
Computer expense	-	43,920	-	43,920	84,884
Contract services	-	132,628	-	132,628	32,846
Bank charges	-	2,473	33,085	35,558	28,270
Fundraising and appeals	-	-	57,738	57,738	54,289
Education and conferences	-	3,423	-	3,423	38,815
Legal and accounting	-	29,677	-	29,677	17,098
Professional and grants writing services	-	-	110,199	110,199	14,390
Postage and courier fees	-	2,791	-	2,791	3,716
Dues and subscriptions	-	7,215	-	7,215	6,777
Travel and entertainment	-	12,591	-	12,591	12,201
Insurance	-	1,390	-	1,390	1,250
Office supplies	-	9,336	-	9,336	6,004
Public relations/promotion	-	20,690	-	20,690	4,828
Printing	-	58,875	-	58,875	11,034
Total	\$ 4,088,452	\$ 360,056	\$ 394,277	\$ 4,842,785	\$ 2,937,709

REGIONAL PARKS FOUNDATION

STATEMENT OF CASH FLOWS

For the year ended December 31, 2024

(with summarized comparative information for December 31, 2023)

	2024	2023 (Restated)
Cash flows from operating activities:		
Change in net assets	\$ 1,743,166	\$ 3,633,183
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized gains on investments	(1,316,385)	(2,474,329)
Realized gains on investments	(283,913)	-
Changes in assets and liabilities:		
Contributions receivable, net	(25,000)	-
Prepaid expenses	-	14,676
Accounts payable	104,410	341,575
Accrued liabilities	-	(318,628)
Net cash provided by operating activities	222,278	1,196,477
Cash flows from investing activities:		
Purchase of investments	(6,605,057)	(19,679,138)
Reinvested dividends and interest, net of fees	(270,859)	-
Proceeds from sale of investments	3,951,916	19,029,067
Net cash used in investing activities	(2,924,000)	(650,071)
Net change in cash and cash equivalents	(2,701,722)	546,406
Cash and cash equivalents, beginning of year	3,250,014	2,703,608
Cash and cash equivalents, end of year	\$ 548,292	\$ 3,250,014

REGIONAL PARKS FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

1. Description of the Organization

The Regional Parks Foundation (the "Foundation") was established in 1969 to support the East Bay Regional Park District (the "District"). The Regional Parks Foundation supports the East Bay Regional Park District through fundraising to provide universal access, environmental stewardship, educational and recreational programs and the acquisition of parklands. At the Regional Parks Foundation, the Foundation believe connections with nature are critical for leading a healthy, balanced life. Every day, the Foundation provides resources to ensure underserved populations have equal access to nature through the East Bay Regional Park District's parks, trails, programs and services. When the Foundation does, lives are changed, and the Foundation inspires the next generation of environmental stewards to value and protect open space and the environment. Sources of revenue and support include direct public support, interest income, and contributed services and property.

The Foundation is not a direct employer. The District contributes the services of its employees to the Foundation (see Note 2). In addition, the District owns the majority of furniture, fixtures and equipment, as well as buildings, used by the Foundation.

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Foundation classified its net assets and changes in net assets as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation.

Net Assets With Donor Restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by passage of time. Other donor restrictions may be perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Summarized Comparative Financial Statements

The financial statements include certain prior year summarized comparative information, but not by function classification or net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Reclassification

Certain reclassifications have been made to the 2023 financial statement presentation to conform to the 2024 presentation.

REGIONAL PARKS FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

2. Summary of Significant Accounting Policies, continued

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reported period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents are all highly liquid investments with an original maturity of three months or less.

Investments

Investments are reported at their fair values in the statement of financial position using readily determinable market values. Net investment return/(loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Receivables

Contributions and accounts receivable are stated at the amount the Foundation's management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to bad debt expense and a credit to a valuation based on its assessment of the current status of individual accounts. The Foundation recognizes pledges receivable at fair value when an unconditional promise to give is received. Unconditional pledges receivable that are expected to be collected within one year are recorded at the present value of their future cash flows. Management estimates an allowance for uncollectible pledges receivable based on current economic conditions, historical trends, and current and past experience with the Foundation's donor base. Management believes the entire balance of receivables is collectible and, therefore, no provision for credit losses was recorded as of December 31, 2024.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Foundation classifies its financial assets and liabilities according to the following hierarchy, and maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value:

Level 1 – Valuation inputs are obtained from real-time quotes for transactions in active exchange markets involving identical assets.

Level 2 – Valuation inputs are obtained from readily-available pricing sources for comparable instruments.

Level 3 – Valuation inputs are obtained without observable market values and require a high level of judgment to determine the fair value.

REGIONAL PARKS FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

2. Summary of Significant Accounting Policies, continued

Revenue Recognition – Support and Other Revenue

Contributions consist of grants and gifts from individuals, corporations, and foundations. Unconditional promises to give are recognized as revenues or gains in the period received and as assets depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Membership fees are recorded as income when received.

In-Kind Contributions and Contributed Services

Contributions of tangible assets are reflected as contributions at their estimated fair value at date of donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used.

Donated services are recognized at their estimated fair value at the date the services were provided, if the services (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Income Taxes

The Foundation is exempt from income tax under Section 501(c)(3) of The U.S. Internal Revenue Code. Accordingly, no provision for income taxes has been provided in these financial statements. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The Foundation paid no taxes on unrelated business income in the year ended December 31, 2024.

U. S. GAAP requires the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the organization's tax returns. Management has determined that the Foundation does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Foundation's tax returns will not be challenged by the taxing authorities and that the Foundation will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Foundation's tax returns remain open for federal income tax examination for three years from the date of filing.

Functional Expense Classification

The Foundation charges and allocates its expenses on a functional basis among its program and support services. Expenses that can be identified with the program or support service are assigned directly. Expenses common to several functions are allocated proportionate to personnel costs incurred by each function.

Program costs include activities that result in goods and services being distributed to beneficiaries, customers, or members that fulfill the purpose or mission for which the Foundation exists.

Support services include general and administrative costs and fundraising costs. General and administrative costs include oversight, business management, general record keeping, budgeting, financing, and related administrative activities. Fundraising costs include outreach to members; writing grant proposals; and conducting other activities involved with soliciting contributions.

REGIONAL PARKS FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

2. Summary of Significant Accounting Policies, continued

Credit Risk

Financial instruments which potentially subject the Foundation to credit risk consist principally of cash and cash equivalents and contributions and grants receivable. The Foundation places its cash and cash equivalent balances with high credit quality financial institutions and distributes deposits among several institutions to reduce credit risk. Periodically throughout the year, cash is maintained at the various banks in excess of insured Federal Deposit Insurance Corporation amounts of \$250,000.

3. Investments

The Foundation's investment policy allows management to invest in the following investment types:

Authorized Investment Type	% of Portfolio	Maximum Investment In One Issuer
<i>Foundation Portfolio:</i>		
Short-Term Pool	0-20%	N/A
US Fixed Income	80-100%	N/A
Cash and Equivalents		N/A
Medium-Term Pool		
US Equity - Large Cap	0-30%	N/A
International Equity	0-20%	N/A
US Fixed Income	40-80%	N/A
High Yield	0-25%	N/A
Long-Term Pool		
US Equity - Large Cap	30-50%	N/A
US Equity - SMID Cap	0-20%	N/A
International Equity	15-35%	N/A
US Fixed Income	10-50%	N/A
High Yield	0-10%	N/A
<i>ECCCHC/NCCP Endowment Fund:</i>		
US Equity - Large Cap	30-50%	N/A
US Equity - SMID Cap	0-20%	N/A
International Equity	15-35%	N/A
US Fixed Income	10-50%	N/A
High Yield	0-10%	N/A

As of December 31, 2024, the Foundation's investment portfolio was in compliance with its investment policy.

REGIONAL PARKS FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

3. Investments, continued

Substantially all of the Foundation's investments are in the custody of and managed by eight different investment management firms with coordination and oversight provided by UBS Financial Services, Inc. The following tables summarize the Foundation's investments as of December 31, 2024:

	Foundation			
	Balance	Level 1	Level 2	Level 3
Marketable investments:				
Money market funds	\$ 2,267,738	\$ 2,267,738	\$ -	\$ -
Equities	7,867,768	7,867,768	-	-
Fixed income funds	3,229,035	3,229,035	-	-
Total investments	<u>\$ 13,364,541</u>	<u>\$ 13,364,541</u>	<u>\$ -</u>	<u>\$ -</u>
	ECCCHC/NCCP Endowment Fund			
	Balance	Level 1	Level 2	Level 3
Marketable investments:				
Money market funds	\$ 167,866	\$ 167,866	\$ -	\$ -
Equities	7,211,888	7,211,888	-	-
Fixed income funds	2,366,680	2,366,680	-	-
Total investments	<u>\$ 9,746,434</u>	<u>\$ 9,746,434</u>	<u>\$ -</u>	<u>\$ -</u>

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2024.

Cash Equivalents – consist primarily of money market funds and are valued at the closing prices reported on the active markets in which the securities are traded at fiscal year-end.

Investments – are valued at quoted market prices in active markets or require using significant unobservable inputs.

Net investment return consisted of the following for the year ended December 31, 2024:

	Foundation	ECCCHC/NCCP Endowment Fund
Dividends and interest income, net of reinvestments	\$ 315,362	\$ 150,172
Unrealized gain on investments	684,471	631,757
Realized gain on investments	153,204	130,709
Investments expense	<u>(86,962)</u>	<u>(119,821)</u>
	<u>\$ 1,066,075</u>	<u>\$ 792,817</u>

REGIONAL PARKS FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

4. Board Designated Net Assets

In 2008, the Foundation established the Regional Park Foundation Endowment Fund (the "Fund"). The purpose of the Fund is to support projects to further the charitable and educational purposes of the East Bay Regional Parks District. The intent of the Fund is to provide a permanent source of income for the stated purposes on a long-term basis. Only a portion of the earnings of the Fund will be spent with the excess being added to the principal balance. In 2008, the Foundation made an initial contribution by designating \$250,000 from the Foundation's net assets to the Fund. The Board Designated Endowment Fund as of December 31, 2024 amounted to \$529,999.

5. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods as of December 31, 2024:

Subject to expenditure for specific purpose:

Capital & Improvements	\$ 4,122,907
Funds for Parks	1,022,485
Botanic Garden	773,763
Funds for Programs	485,668
Land Acquisition	346,568
Friends of Botanic Garden	328,045
	<u>7,079,436</u>

Subject to the Foundation's endowment spending policy and appropriation:

ECCCHCP-NCCP Endowment	9,746,434
Tilden Botanic Garden Endowment	451,428
Regional Parks Foundation Endowment	143,673
RPF Campership Endowment - Robert Adams	40,000
	<u>10,381,535</u>

Total net assets with donor restrictions	<u><u>\$ 17,460,971</u></u>
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For the year ended December 31, 2024, net assets were released from restriction for the following:

Capital & Improvements	\$ 1,032,564
Funds for Programs	233,449
ECCCHCP-NCCP Endowment	119,821
Friends of Botanic Garden	56,655
Funds for Parks	35,489
Botanic Garden	16,931
Endowment	2,920
	<u><u>\$ 1,497,829</u></u>

REGIONAL PARKS FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

6. Endowments

The Foundation's endowment consists of four individual funds established by donors for the following purposes:

Campership Program – A donor-restricted contribution of \$40,000 was received in 2000. Interest income earned on these assets is restricted for use in the Campership program.

Regional Park Foundation Endowment – Donor-restricted contributions of \$66,750 were received in 2008. These contributions are associated with the purposes of the Regional Park Foundation Endowment Fund.

Tilden Botanic Garden Endowment – Donor-restricted contributions of \$219,779 were received in 1991. Interest income earned on these assets is restricted for the specific charitable and educational programs related to the East Bay Regional Park District's Botanic Garden.

East Contra Costa County Habitat Conservation Plan/Natural Community Conservation Plan (ECCC HCP/NCCP) Endowment – Donor-restricted contributions as of December 31, 2024 totaled \$7,703,294. Interest income earned on these assets is restricted for the long-term management and monitoring of the Preserve System after the end of the Permit Term (2037).

The donor contributions are maintained in perpetuity, the income of which is expendable for the donors' intended purpose in proportion to each fund's percentage of the total endowment fund corpus. Annual distributions are in accordance with the Foundation's distribution policy.

The Endowment also includes certain net assets without donor restrictions that have been designated for endowment by the Board of Directors (see Note 5).

The Foundation is subject to the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). The Board of Directors of the Foundation has interpreted UPMIFA as not requiring the preservation of the fair value of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gift amounts donated to the Endowment, and (b) any accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the endowment fund.
- The purposes of the organization and the endowment fund.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of the Foundation.
- The investment policies of the Foundation.

The Foundation has investment policies that attempt to provide a predictable stream of funding to programs supported by operations as well as endowment donations. Endowment assets include those assets of donor-restricted funds that the Foundation may hold in perpetuity or for a donor specified period(s) as well as Board-designated funds. Assets are invested in a manner that is intended to produce results that exceed the respective benchmark while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount.

REGIONAL PARKS FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

6. Endowments, continued

As of December 31, 2024, the Foundation had the following endowment net asset composition by type of fund:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment fund	\$ -	\$ 10,381,534	\$ 10,381,534
Board-designated endowment funds	529,999	-	529,999
	<u>\$ 529,999</u>	<u>\$ 10,381,534</u>	<u>\$ 10,911,533</u>

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Foundation has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. As of December 31, 2024, the Foundation had no underwater endowments.

Investment and Spending Policies

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term objectives within prudent risk constraints.

The changes in endowment net assets for the year ended December 31, 2024 consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year, as restated (Note 10)	\$ 498,020	\$ 8,849,276	\$ 9,347,296
Contributions	-	703,160	703,160
Dividends and interest income, net	34,526	189,373	223,899
Realized gain	-	130,709	130,709
Unrealized gain	-	631,757	631,757
Release of assets for fees and taxes	(2,547)	(122,741)	(125,288)
Endowment net assets, end of year	<u>\$ 529,999</u>	<u>\$ 10,381,534</u>	<u>\$ 10,911,533</u>

REGIONAL PARKS FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

7. Liquidity and Availability

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise of the following as of December 31, 2024:

Cash and cash equivalents	\$ 548,292
Investments	23,110,975
Contributions receivable, net	<u>25,000</u>
Total financial assets	23,684,267
Less: amounts not available to be used within one year:	
Donor imposed restrictions for specific purposes	<u>(17,460,971)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 6,223,296</u>

The Foudnation receives significant contributions and promises to give restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Foundation manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

8. Related-Party Transactions

For the year ended December 31, 2024, the Foundation made distributions of \$2,591,127 to support the scholarships and programs, services, in projects at the respective parks. The fiscal year 2024 distributions were comprised of \$2,378,009 in direct payments to the East Bay Regional Park District and \$213,118 paid to external vendors.

9. Concentrations

For the year ended December 31, 2024, the East Bay Regional Park District contributed services that accounted for 21% of the Foundation's support and revenue.

For the year ended December 31, 2024, Foundation Park membership fees accounted for 24% of the Foundation's total support and revenue.

REGIONAL PARKS FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

10. Restatement

During the year ended December 31, 2024, the Foundation determined that changes to the beginning net assets with donor restrictions were necessary due to the ending balance as of December 31, 2023 was incorrect. The effect of the correction was to reclassify \$924,199 from net assets without donor restrictions to net assets with donor restrictions. As a result of these corrections, the December 31, 2023 financial statements were restated as follows:

	As Previously Reported	Correction of Error	As Restated
Net assets, beginning of year - without donor restrictions:			
Net assets - without donor restrictions	\$ 5,670,509	\$ (916,968)	\$ 4,753,541
Board-designated endowment funds	505,251	(7,231)	498,020
	<u>\$ 6,175,760</u>	<u>\$ (924,199)</u>	<u>\$ 5,251,561</u>
Net assets, beginning of year - with donor restrictions:			
<i>Subject to expenditure for specific purpose:</i>			
Funds for Parks	\$ 1,085,697	\$ (159,558)	\$ 926,139
Botanic Garden	467,821	255,302	723,123
Friends for Botanic Garden	-	274,033	274,033
Capital & Improvements	4,332,107	470,190	4,802,297
Land Acquisition	333,957	12,611	346,568
Funds for Programs	210,274	108,726	319,000
	<u>6,429,856</u>	<u>961,304</u>	<u>7,391,160</u>
<i>Subject to the Foundation's endowment spending policy and appropriation:</i>			
ECCCHCP-NCCP Endowment	8,289,187	(38,360)	8,250,827
Regional Parks Foundation Endowment	134,776	358	135,134
RPF Campership Endowment - Robert Adams	40,488	(488)	40,000
Tilden Botanic Garden Endowment	421,930	1,385	423,315
	<u>8,886,381</u>	<u>(37,105)</u>	<u>8,849,276</u>
	<u>\$ 15,316,237</u>	<u>\$ 924,199</u>	<u>\$ 16,240,436</u>

11. Nonfinancial Contributed Goods and Services

The Foundation receives contributed services and supplies that are nonfinancial assets and are recorded at the estimated fair value at the date of the donation. Fair value is determined by appraisals or estimates made by the donor. During 2024, the Foundation received contributed services and supplies from the District with an estimated fair value of \$1,452,325 as noted below. This amount is reflected as both revenue and expense on the statement of activities.

REGIONAL PARKS FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

11. Nonfinancial Contributed Goods and Services, continued

	<u>Amount Recognized</u>	<u>Program/Activity Utilization</u>	<u>Donor Restrictions</u>	<u>Valuation Techniques and Inputs</u>
Rent and supplies	\$ 129,927	Program services	None	Fair market value was provided by the donor (see Note 2)
Services	<u>1,322,398</u>	Program services	None	Fair market value was provided by the donor (see Note 2)
	<u><u>\$ 1,452,325</u></u>			

12. Subsequent Events

The Foundation has evaluated subsequent events through October 23, 2025, the date which the financial statements were available to be issued. Management determined that no material subsequent events have occurred since December 31, 2024 that require recognition or disclosure in such financial statements.